

DELEGATION ORDER**RETRAINEE - JOB CREATION****Training Proposal for:****HealthCare Partners, LLC****Agreement Number: ET17-0475****Approval Date:** April 11, 2017**ETP Regional Office:** North Hollywood**Analyst:** E. Wadzinski**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate SET Job Creation Initiative HUA Veterans Medical Skills	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Santa Barbara	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 4,216	U.S.: 8,382	Worldwide: 8,382
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$96,552		\$0	\$0		\$96,552

In-Kind Contribution:	100% of Total ETP Funding Required	\$308,035
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET Priority Rate Medical Skills	Business Skills, Computer Skills, Cont. Imp., MS-Didactic	144	8-200	0	\$540	\$22.04
				Weighted Avg: 30			
2	Retrainee SET Priority Rate Medical Skills HUA	Business Skills, Computer Skills, Cont. Imp., MS-Didactic	6	8-200	0	\$252	\$14.96*
				Weighted Avg: 14			
3	Retrainee SET Priority Rate Medical Skills Job Creation	Business Skills, Computer Skills, Cont. Imp., MS-Didactic	15	8-200	0	\$800	\$13.39*
				Weighted Avg: 40			
4	Retrainee SET Priority Rate Medical Skills Veterans	Business Skills, Computer Skills, Cont. Imp., MS-Didactic	8	8-200	0	\$660	\$22.04
				Weighted Avg: 30			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Numbers 1 (SET/Priority) and 4 (SET/Priority/Veteran): \$22.04 per hour

Job Number 2 (SET/HUA): \$12.72 per hour for Los Angeles County

Job Number 3 (SET/Job Creation): \$14.13 for Los Angeles County; \$14.35 for Orange County and \$13.22 for Santa Barbara County

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$1.85 per hour may be used to meet the Post-Retention Wage in Job Number 1; up to \$0.96 per hour in Job Number 3; and up to \$2.47 per hour in Job Number 4.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 (SET/Priority)		
Claims Staff	\$20.19 - \$33.19	14
Information Technology	\$22.66 - \$52.17	10
Medical Staff	\$21.16 - \$47.37	14
Sr. Medical Staff	\$47.38 - \$62.51	8
Operations Support Staff	\$20.94 - \$45.32	26
Sr. Operations Support Staff	\$45.33 - \$63.86	14
Physician's Assistant/Nurse Practitioner	\$50.51 - \$61.57	20
RN/LVN	\$20.95 - \$50.91	16
Frontline Manager	\$21.15 - \$50.89	16
Technician/Technologist	\$21.49 - \$39.15	6
Job Number 2 (SET/HUA)		
Medical Staff	\$14.96 - \$39.94	1
Operations Support Staff	\$28.76 - \$58.29	1
Physician's Assistant/Nurse Practitioner	\$21.15 - \$50.89	1
RN/LVN	\$19.57 - \$37.52	1
Frontline Manager	\$15.45 - \$33.96	1
Technician/Technologist	\$20.25 - \$49.23	1
Job Number 3 (SET/Job Creation)		
Claims Staff	\$13.39 - \$33.96	2
Information Technology	\$21.25 - \$50.23	1
Medical Staff	\$14.96 - \$43.94	2
Operations Support Staff	\$15.87 - \$44.81	3
Physician's Assistant/Nurse Practitioner	\$21.15 - \$50.89	2
RN/LVN	\$20.25 - \$50.09	1
Front Line Manager	\$19.57 - \$33.96	2
Technician/Technologist	\$20.25 - \$50.12	2
Job Number 4 (SET/Veterans)		
Claims Staff	\$20.19 - \$33.96	1
Information Technology	\$21.25 - \$50.23	1
Medical Staff	\$21.16 - \$43.94	1
Operations Support Staff	\$20.94 - \$44.81	1
Physician's Assistant/Nurse Practitioner	\$21.15 - \$50.89	1
RN/LVN	\$20.15 - \$50.89	1
Working Front Line Manager	\$19.57 - \$33.96	1

Technician/Technologist	\$20.25 - \$50.12	1
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INTRODUCTION

HealthCare Partners, LLC (HCP) (www.healthcarepartners.com) and its affiliate, HealthCare Partners Medical Group, Inc. (HCPMG), manage and operate medical groups and physician networks under an Independent Physician Association (IPA) model. HCP, a subsidiary of DaVita HealthCare Partners Inc., is headquartered in El Segundo and has 75 additional regional and healthcare facilities California.

As a management services organization, HCP provides administrative and central support to its affiliate HCPMG. HCP also offers senior care services; healthcare management to medical groups and affiliated physician networks; strategic planning implementation and development services; and health care services to HMO enrollees and fee-for-service patients. HCPMG is composed of more than 65 medical offices, and employs more than 600 primary care and specialty physicians.

HCP is committed to developing innovative healthcare delivery models that improve the patient's quality of life; ensure access to affordable, quality care; and contain healthcare costs. To achieve this goal, the Company implemented a Coordinated Care Model to create the best patient outcomes.

The Company is experiencing growth in its patient population and is facing unprecedented changes driven by consumer needs and growth drivers within its own business. To ensure it can continue to compete and stay true to its commitment to be the provider, partner, and employer of choice, HCP must re-invent its processes, and develop services that result in health care programs that meet the needs of its customers, both internal and external. HCP is responding to the marketplace while executing business strategies by transitioning to the International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10), implementation of a Medical Assistant Upskill Initiative, and expansion.

ICD-10 was initially implemented on October 1, 2015; however, there are over 75,000 new codes proposed to be released in October 2017. These new diagnosis and procedure codes will enable greater specificity in service descriptions and are expected to meet the increased level of detail needed to recognize advancements in medicine and technology, and will bring the United States in line with non-U.S. practices. In order to continue to migrate to these new codes, HCP must provide supplemental training to its coding staff to properly implement the new coding structure and methodology.

In 2017, HCP will implement a Medical Assistant Upskill Initiative to establish greater recognition and capabilities of its Medical Assistants (MA) roles. This new initiative will focus on providing new, supplemental skills to its medical assistants. MAs spend the greatest amount of time and have the highest level of interaction with patients. Therefore, it's imperative they possess cutting-edge skills related to changing patient demographics and satisfaction. The new training program will advance the MA training and development programming and address process improvement. The goal of training is measureable process improvements in work processes across the organization and increases patient satisfaction.

Finally, the Company is currently opening a facility in Washington state. This new location will be supported by company headquarters in El Segundo and require skilled frontline workers. In addition, HCP plans to expand its footprint in California through the acquisition of other clinical practices. Through this growth, the Company plans to add approximately 60 net new employees to its workforce in 2017-2018 and has committed to hiring 15 new employees.

PROJECT DETAILS

This is HCP's second ETP Agreement. The prior project focused on company growth and changes necessitated by ICD-10 and healthcare reform. The new project focuses on additional ICD-10 changes as well as new processes and assimilation of new locations and frontline workers. The Company continues to hire new workers who will receive training in some of the same topics originally listed in the prior Agreement; while HealthCare Partners' retrainees will receive updated training and new training on new process improvements and systems. Any repeat topics shown on the curriculum have been updated for content.

Retrainee-Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

HCP has committed to hiring 15 new employees in California (Job Number 3). These new positions may be for HCP or HCP affiliates employees to support the El Segundo headquarters. These positions will help support HCP's expanding and newly acquired businesses. The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (25%): Training will be offered to all occupations in patient experience/advanced customer service, business process skills, business writing and utilization review. This training will improve skills in customer service and better manage overall business processes. Training will also include ICD-10 coding.

Computer Skills (25%): Training will be offered to all occupations in Electronic Medical Records Application, HCP's Intranet, MS Office (Intermediate/Advanced) and SharePoint. This training will enable trainees to effectively operate these systems to provide the best and most efficient customer support.

Continuous Improvement (35%): Training will be offered to all occupations to encourage teamwork, and standardize and improve processes and productivity throughout the organization. Trainees will learn to cope with change and re-engineered business processes and job duties, and develop leadership skills to manage a changing environment.

Medical Skills Training (15%):

The Panel has established a "blended" reimbursement rate for Medical Skills training, recognizing the higher cost of delivery for this training model.

Medical Skills Training will be offered to approximately 20 RN's and LVN's, 25 Medical/Senior Medical Staff, and 25 Physician's Assistant/Nurse Practitioners. Medical Skills training will provide skills in Acute Psychiatric Care, Medication Administration and Management, Cardiac Patient Care and Diabetes Care and Management. Training will allow staff to integrate best practices into the daily routine and meet or exceed quality care and patient safety standards.

SET and HUA Wage Modifications

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage of \$29.38 at the end of retention.

Trainees employed in a priority industry qualify for a SET wage modification up to 25% below the statewide average hourly wage. HCP requests this wage modification to \$22.04 for trainees in Job Numbers 1 and 4.

Additionally, the six trainees in Job Number 2 work in High Unemployment Areas (HUAs), with unemployment exceeding the state average by 25%. HCP's Huntington Park location in Los Angeles County qualifies for HUA status and trainees qualify for the ETP Minimum Wage in Los Angeles County rather than the Statewide Average Hourly Wage. HCP requests a wage modification to \$14.96 per hour.

Frontline Worker

HCP would like to include 20 Frontline Managers who supervise medical and clerical staff. These employees actively perform frontline work more than 50% of the time; and they do not hire, fire, or set company policy. Based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline worker. As such, these trainees qualify for SET funding and are not included in the percentage of managers and supervisors identified on Page 1 of this proposal.

Veterans Program

HCP is committed to training eight Veterans outlined in Job Number 4. This effort is supported by ETP through a higher reimbursement rate.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Hospital's annual training budget is \$1M which includes training for diversity, basic computer skills, basic job skills, new hire orientation and performance appraisal training. HCP will continue safety training in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

HCP will utilize qualified in-house trainers and vendors (if needed) to conduct training. The Program Manager for Talent Development at HCP will keep ETP administrative records and documentation related to this proposal at the Company Headquarters located in El Segundo. The Company has retained Training Funding Partners to provide administrative support and recordkeeping throughout the term. As a repeat ETP contractor, HCP has well-established internal administrative procedures to capture training according to ETP guidelines.

Impact/Outcome

Funding will enable HCP to provide enhanced quality patient care, customer service and provide advanced medical skills needed to remain competitive. Training will also help improve organizational efficiency and patient safety.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by HCP under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0237	Los Angeles, Orange	08/04/14 – 08/03/16	\$99,388	\$99,388 (100%)

DEVELOPMENT SERVICES

Training Funding Partners, located in Fountain Valley, assisted with the development of this proposal for a flat fee of \$6,600.

ADMINISTRATIVE SERVICES

Training Funding Partners will also perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Process Skills
- Business Writing
- ICD-10/Coding Skills
- Patient Experience/Advanced Customer Service
- Train-the-Trainer Skills
- Utilization Review

COMPUTER SKILLS

- Electronic Medical Records Application
- HealthCare Partners Intranet
- Microsoft Office (Intermediate/Advanced)
- Microsoft Project
- Microsoft SharePoint
- System Security/Operations
- SharePoint

CONTINUOUS IMPROVEMENT

- Change Management
- Conflict Resolution
- Decision Making/Critical Thinking
- Leadership/Coaching Skills
- Problem Solving/Critical Thinking
- Process and Quality Improvement Concepts/Techniques/Procedures
- Team Building

MEDICAL SKILLS TRAINING – DIDACTIC

- Acute Psychiatric Care
- Acute Myocardial Infarction
- Advanced Cardiac Life Support
- Arterial Blood Gas Interpretation
- Basic Life Support
- Body Mechanics
- Care of the Cardiac Patient
- Care of the Stroke Patient
- Case Management/Discharge Planning
- Central Lines Management
- Code Blue Response & Procedures
- Culturally Appropriate Care
- Decontamination Procedures
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring

- Electronic Fetal Monitoring (Beginning & Advanced)
- Equipment Skills (IV pumps, cardiac telemetry, vital signs, pulse-oximeter, specialty beds and mattresses, etc.)
- Evidence-Based Practices
- Gastrointestinal Assessment and Management
- Infection Control
- Intravenous Insertion & Therapy
- Labor, Delivery and Postpartum Nursing
- Management of the Renal Transplant Surgical Patient
- Medical/Surgical Nursing
- Medication Administration & Management
- Moderate Sedation
- Neonatal Advanced Life Support
- Neonatal/Infant Pain Scale
- Neonatal Intensive Care Unit Nursing
- Neonatal Nursing
- Neonatal Resuscitation Provider
- New Graduate Nursing
- Nurse Orientation Training (for New Grads only)
- Nursing Diagnosis
- Nursing Process
- Patient and Family Centered Care
- Patient Assessment & Care
- Patient Fall Prevention
- Pediatric Advanced Life Support
- Peri-Operative Nursing
- Pre- and Post-Operative Care
- Rapid Response
- Renal Assessment & Management
- Respiratory Assessment & Care
- Surgical Nursing
- Telemetry Nursing
- Transfer Techniques
- Triage Nursing
- Trauma Nursing
- Wound & Skin Care

<p>Note: Reimbursement for retraining is capped at 200 hours total per-trainee, regardless of method of delivery.</p>
